

WORKSITE

# Executive Disability Income

MassMutual®'s Worksite Executive Disability Income Insurance product is available to meet the needs of the marketplace with underwriting enhancements that increase benefits for employer or employee paid coverage.



### Employer Paid Coverage

- Guaranteed Standard Issue (GSI) Limits now up to \$20K for the best risk
- Minimum eligible lives now available down to 5+

### Employer Paid and Employee Paid Coverage

- Simple Bonus Calculation:
  - Avg 2 years of variable comp
  - One year paid at 75%

### Employee Paid Coverage

- Expanding offering to Broker channel for approved partners
- Competitive Replacement Ratio available at 65%
- Allowing for minimum eligible lives down to 50 for Target Markets

### TARGET MARKETS

When prospecting for Executive Disability Income Insurance consider these industries as prime targets:

INDUSTRY	SIC Codes Beginning With
Corporate Executives in most Industries	Various
Legal Services	81
Engineering Services	87
Architecture Firms	87
Commercial Physical and Biological Research	87
High Tech/Computer Software Development	73
Advertising	73
Accounting, Auditing, and Bookkeeping Services	87
Traditional Financial Services/ Depository Institutions	60
Pharmaceutical Preparations	28

## EMPLOYER SPONSORED GSI OPPORTUNITIES:

Case Selection, Criteria guide for case submissions

Factor	Employer Paid	Employee Paid
# of Eligible Lives	5+	50+ Target Market 75+ All Other Markets*
Participation	100%	30%
Occupation Classes <sup>1</sup>	5-9 Lives – 100% 5A/4A and will require LTD 10-19 Lives – 75% 5A/4A 20+ Lives – Mix	Occupation class mix 5A/4A/3A
Average Age	Less than 50	Less than 50
PECL Required?	5-20 Lives – No but may be recommended 20+ Lives – No	No
<b>Incomes</b>	<b>\$100K+</b>	<b>\$100K+</b>
<b>Bonus Calculation</b>	<b>Simplified Bonus Calculation:</b> <ul style="list-style-type: none"> <li>• Avg 2 years of variable comp</li> <li>• One year of variable comp at 75%, 100% Considered for Employer Paid</li> </ul>	<b>Simplified Bonus Calculation:</b> <ul style="list-style-type: none"> <li>• Avg 2 years of variable comp</li> <li>• One year of variable comp at 75%</li> </ul>
Group LTD Required?	No	Yes
Replacement Ratio <sup>2</sup>	<b>80%</b> – Taxable <b>75%</b> – Taxable ..... <b>65%</b> – Non-Taxable <b>60%</b> – Non-Taxable	<b>60%</b> – Non-Taxable (Less gross or net LTD) <b>65%</b> – Non-Taxable (Less gross or net LTD) <b>75%</b> – Non-Taxable (Less gross LTD when the LTD is taxable)

\* Although we can have a mix of occupations for employer paid cases with 20 or more lives, having a higher concentration of lower occupation classes may drive the group to have a lower GSI offer. For employee paid cases with 75+ lives, we can include 5P, 4P and 3P occupation classes, but groups must have <35% census exposure on 3P Occupation Classification.

<sup>1</sup> Although we can have a mix of occupations for employer paid cases with 20 or more lives, having a higher concentration of lower occupation classes may drive the group to have a lower GSI offer.

<sup>2</sup> The Plan design Replacement Ratios listed above are our standard options. Other replacement ratios can be considered and would be evaluated on a case-by-case basis.

- Class Eligibility – the eligible class must be objective and clearly defined. The employer cannot pick who they want to cover.
- Plan Options are available with a wide array of riders
- State Availability – MaxElect 13 approved in all states except CA, CT, DE, DC, FL, MT, ND, SD, State specific contract in NY; MaxElect 12, Available in CT, DE, DC, MT, ND, SD; MaxElect 07, Available in FL; Radius 12, Available in CA

